



Impacting the lives and loyalty of your diverse workforce

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September 16, 2024

Session overview and focus

- 1. The impact of a strong culture**
- 2. The convergence of health + wealth and education + personal support on employee retention**
- 3. How you can partner with Lincoln to attract, retain talent, and close gaps across your diverse workforce**



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An industry leader and a partner you can trust!

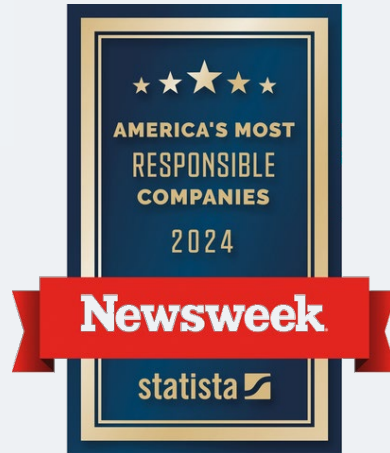
A tradition of strength



#222 by revenue

Fortune, issue date February 2024.

A commitment to corporate responsibility



Newsweek

statista

<https://www.lincolnfinancial.com/public/aboutus/companyoverview/ourimpact/awardsandrecognition>

Success through diversity and inclusion



Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



Award winning technology



2023 DALBAR Awards
Defined Contribution Plan Participant Website



2023 DALBAR Awards
Defined Contribution Plan Sponsor Website



2022 Corporate Insights
Silver Monitor Award

<https://www.dalbar.com/Awards/AwardHistory>


The impact of a strong culture

Our culture is at the heart of what we do



Retirement Plan Services

Common purpose
“Making a meaningful impact in the lives of others through selfless service.”



Our non-negotiables

Quality standards

- 1 Integrity
- 2 Urgency
- 3 Ownership
- 4 Caring professionalism

LCN-4214091-012122
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Order code: RPS-ECRE-BCD002



Lincoln's enterprise focus on diversity, equity, and inclusion

While we remain committed to our long-standing core mission, goals, objectives, and strategy, over the past few years we sharpened our focus on racial justice and equity.

Our mission

To create a culture where multiple perspectives, varied skill sets, creative insights, diverse backgrounds, and abilities are valued and drive superior results.



Our business case and overarching goals

1. Attract, develop, and retain the best and brightest talent.
2. Drive increased innovation, creativity, and employee engagement.
3. Enhance, expand, and create new relationships and grow our business.
4. Elevate our company's brand as an employer and provider of choice in all communities.

Lincoln's enterprise focus on diversity, equity, and inclusion

Three-prong impact strategy



REAL outcomes

<p>Recognize and Respect differences</p>	<p>Escalate equity</p>
<p>Activate relevant opportunities</p>	<p>Lead inclusively with accountability</p>

Taking action

Lincoln is committed to taking action in our business and within our communities.

Lincoln Financial Group
Our Commitment to Supporting Racial Justice and Equity

We commit to take long term, sustained actions that amplify our company's ongoing commitment to diversity and inclusion and drive meaningful, measurable change. These commitments and actions were developed by Lincoln Financial's board of directors and senior leadership, with input from 11,000+ employees who have shared feedback and ideas through a variety of town halls, surveys, and discussion forums on race.

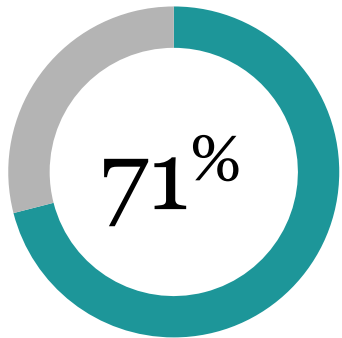
1. Implement sustainable and integrated practices in recruiting, retention and development to increase Black populations at Lincoln Financial, such as bringing in dedicated diversity-focused recruiters.
2. Focus on increasing minority leadership – grow minority representation at the Officer level (Assistant Vice President and above) by 50% over the course of three years, with a special focus on the Black Officer population.
3. Explore how to formalize the leadership compensation to Diversity and Inclusion objectives.
4. Expand the Diversity & Inclusion function at Lincoln, which will continue to support enterprise-wide and business-specific efforts.
5. Continue to grow Lincoln's professional network of Black financial advisors and planners.
6. Continue conversations about race across the organization.
7. Combat racism and bias in today's society by preserving the history of the Black experience and its relationship to American culture and progress, via a \$1 million contribution to The HistoryMakers over a period of time.
8. Leverage the Lincoln Financial Foundation to further support Black communities, by giving to nonprofits with demonstrated success in advancing Black communities, and by engaging with leading philanthropic membership organizations that focus on equity-based grantmaking.

50% Increase in minority leadership at the Officer level over the next three years

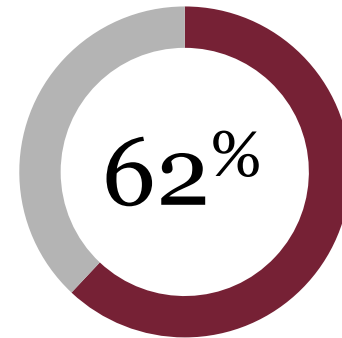
\$1M contribution to The HistoryMakers to preserve the history of the Black experience

The needs of your diverse workforce in today's economic conditions

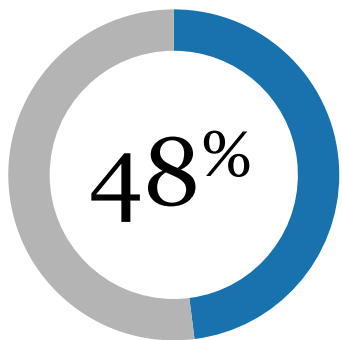
The economic climate could have a lasting impact for healthcare employees



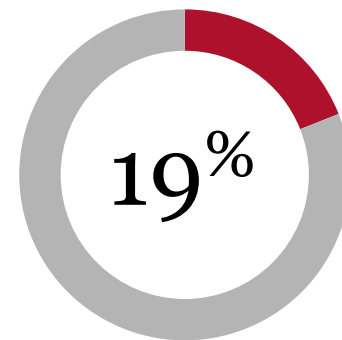
More than 7 out of 10 who say they save less than needed to be on track cite inflation as the reason.



More than 6 out of 10 who save less than needed say it would be difficult to save more.



Almost half say 2022 investment performance made them concerned about putting more money in this year.



Only 19% are very confident knowing how market volatility impacts their plan/accounts.

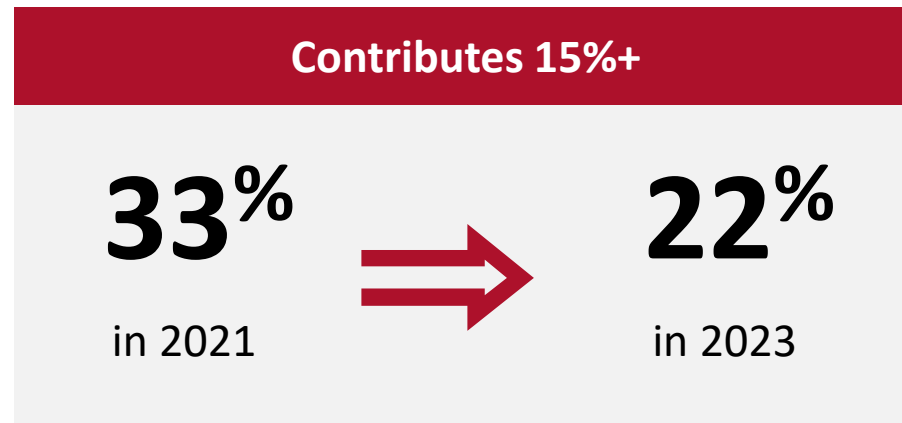
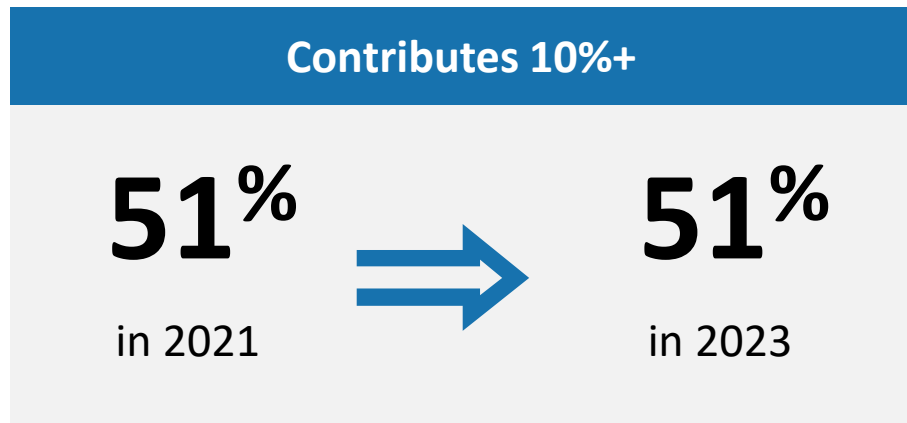
Source: 2023 Wellness@Work: Retirement Plan Services Study.

Contribution rates and confidence are down for healthcare workers amidst a challenging economic climate



Almost three-fourths of healthcare participants are saving less than they think they need to save to be on track.

Contribution rates among healthcare participants



Source: 2023 Wellness@Work: Retirement Plan Services Study.

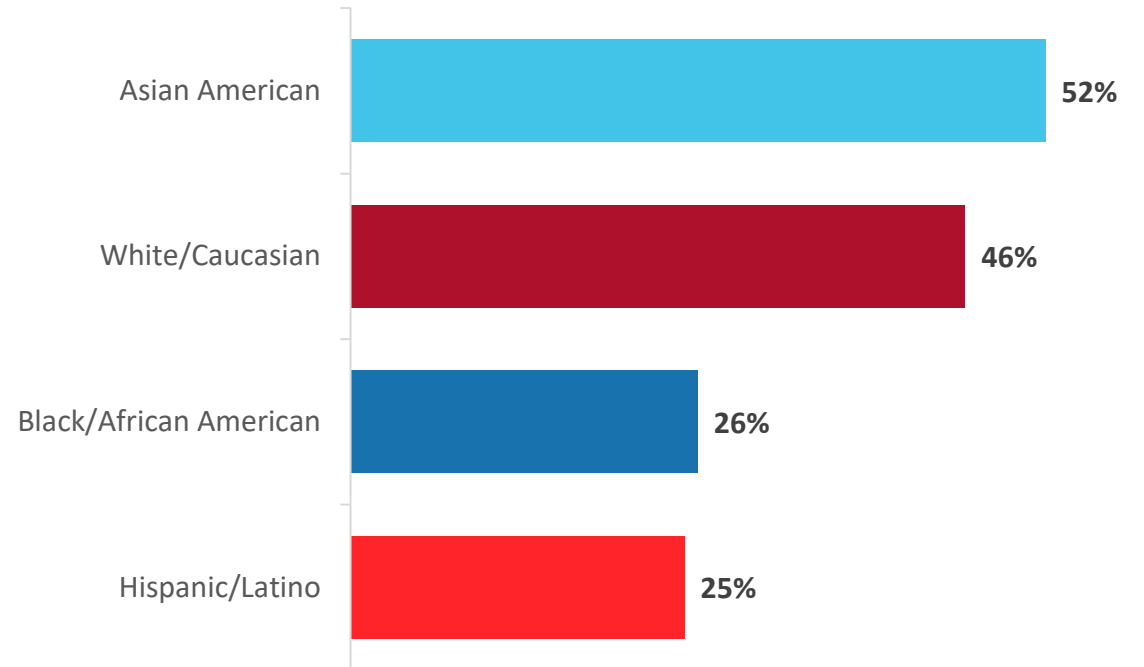
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Financial well-being drives consumer readiness toward retirement

Financial well-being



Percent who feel on track with retirement savings



Source: Federal Reserve: Economic Well-Being of U.S. Households (SHED), 2022, survey.

Gender differences impact retirement preparedness

Confidence in “having enough money to last throughout your entire life in retirement”

Situation	Employed women % very confident
Making the right decisions about how to plan ahead for retirement	24%
Making the right decisions about how to manage your money in retirement	24%
Having enough money to last throughout your entire life in retirement	19%
Having enough money to maintain the lifestyle you want in retirement	21%
The financial institutions you work with remaining stable and solvent throughout your years in retirement	24%

Source: Lincoln, Perspectives on Retirement Preparedness 2023 Consumer Insights: Findings from the 2023 Consumer Sentiment Tracker Research.

Actual savings rate versus perceived



Full-time employed women currently participating in their employer’s workplace retirement

- Median actual savings rate = 9%
- Median they think they need to save = 15%

Source: Lincoln, 2023 Wellness@Work: Retirement Plan Services Study.

Group benefits are more likely to be impactful for Black and Hispanic workers

% surveyed who say each item makes them more loyal to their employer

Think about what your employer currently offers or doesn't offer for each benefit. How does what's offered impact your loyalty to them?

	Black	Asian/Pacific Islander	Hispanic	White
Paid leave benefits (in all forms)	75%	64%	71%	67%
Retirement benefits	67%	61%	69%	63%
Other group benefits (such as life insurance and short-term or long-term disability)	64%	56%	64%	58%
Supplemental health benefits	64%	53%	60%	54%
Financial wellness benefits	61%	56%	63%	52%

Source: Lincoln, Wellness@Work: Group Benefits, 2022.

Supporting equitable retirement for our customers

Diversity, equity and inclusion partnership opportunities

Lincoln Inspires Financial Empowerment (LIFE) program

Financial education for Black History and Hispanic Heritage months

The Collaborative for Equitable Retirement Savings Program

Identifying opportunities to close gaps within retirement savings

Elevate WellnessSM

A program for women-and minority-owned small businesses

LIFE program results:

99%

satisfaction rate

80%+

participants motivated to take action

Client email campaign, webinar, seminars,
and in-language educational training

The impact of holistic benefit education and personal support

The convergence of health and wealth

Employees want and need a simple, yet personalized, experience focused on total health and well-being

Retirement Plan Services

- 56% of Americans aren't on track to comfortably retire¹
- 88% of U.S. adults said high school did not leave them "fully-prepared" for how to handle money²

¹CNBC Make it: Your Money, 2023.

²Ramesey Solutions The Financial Literacy Crisis in America: 2023 Report.

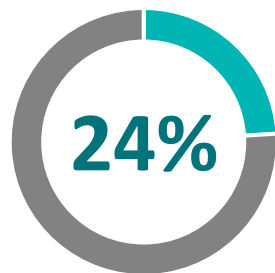
³Graham Company 3 Voluntary Benefits Trends to Watch in 2023.

⁴Paychex Employee Benefits Trends for 2024: What Does the Future of Employee Benefits Look Like?, 2024.

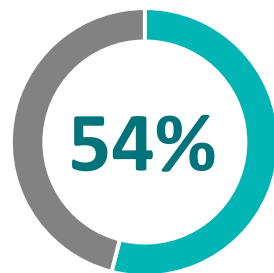
Group Protection

- 94% of employers find voluntary benefits important to their talent & total rewards strategies³
- Employees demanding flexibility and personal benefits according to their needs⁴

The need for Workplace Solutions



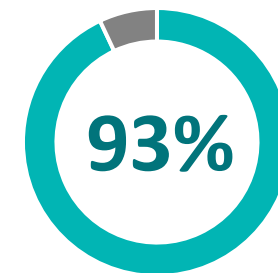
are very confident knowing how market volatility and inflation affects their account⁵



would enroll in more benefits if they understood them better⁶



of ethnic and racial minority groups rank education on benefits as a top priority⁷



Increase in mental health claims filed at Lincoln since 2016⁶

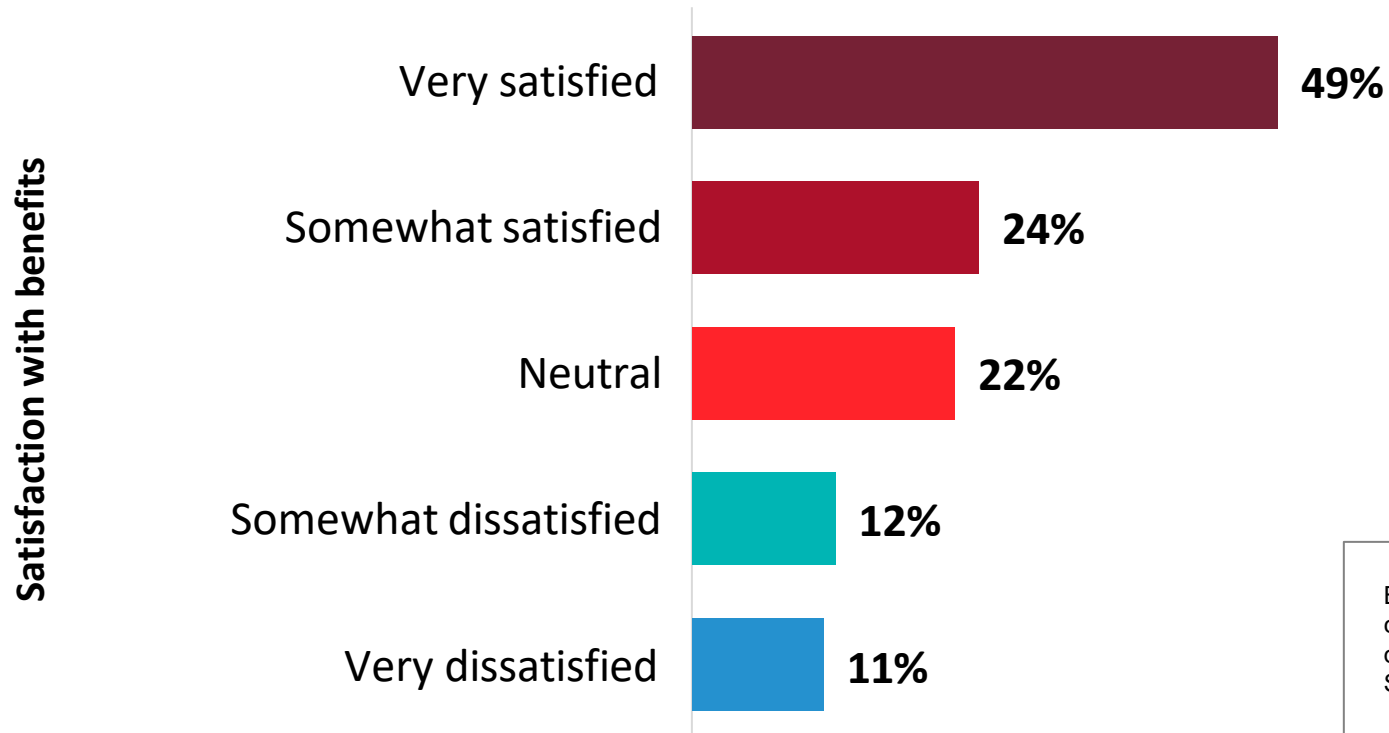
⁵Harnessing growth through wellness: the future of workforce benefits | EY – US survey.

⁶Lincoln Financial's 2022 Wellness@Work study.

⁷Nuveen Benefits 2.0 survey.

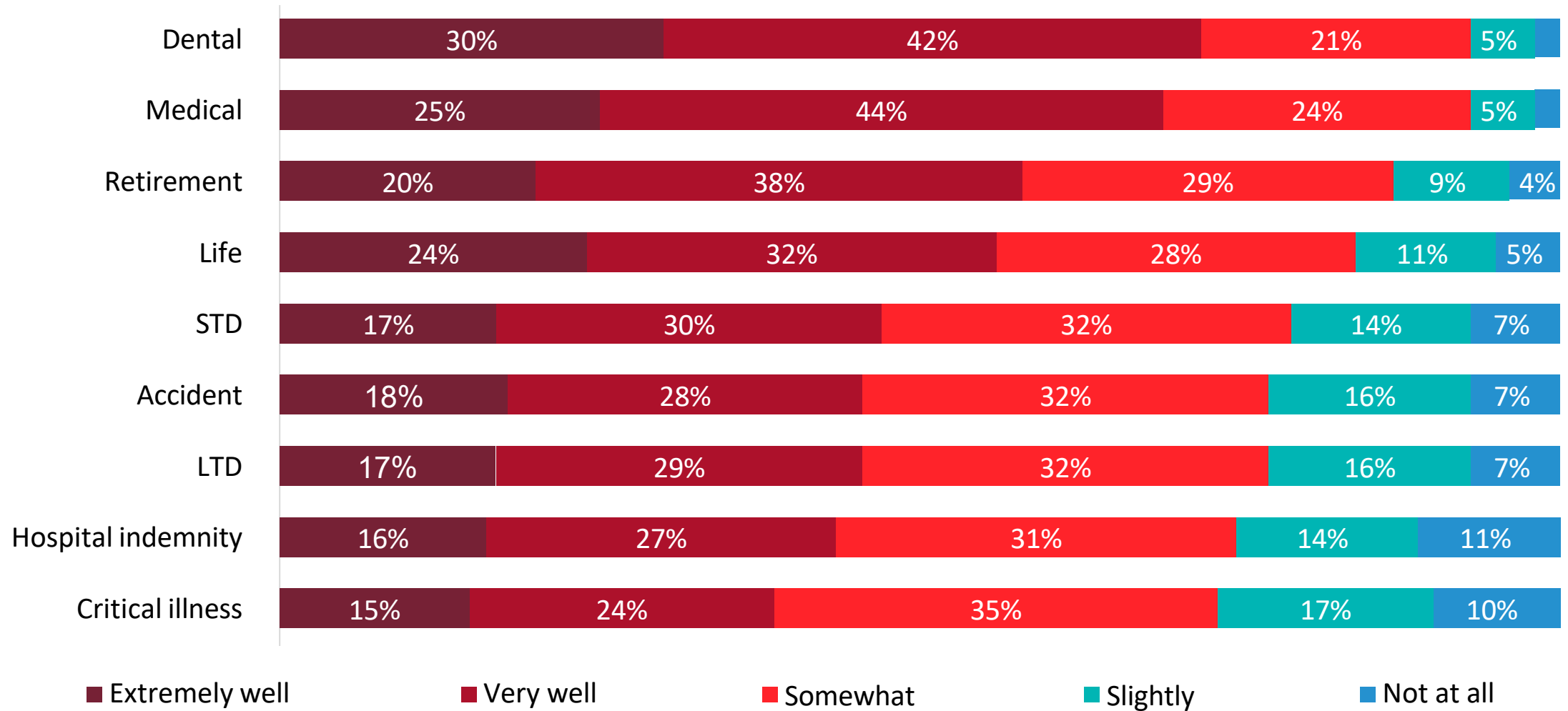
Plans to stay by satisfaction with benefits

Percent who want to remain with employer for a long time



Based on all employees. Satisfaction was rated on a 0-10 scale; some categories were merged as follows: Very dissatisfied = 0-2, Somewhat dissatisfied = 3-4, Neutral = 5, Somewhat satisfied = 6-7, Very satisfied = 8-10. Source: 2024 BEAT Study, LIMRA.

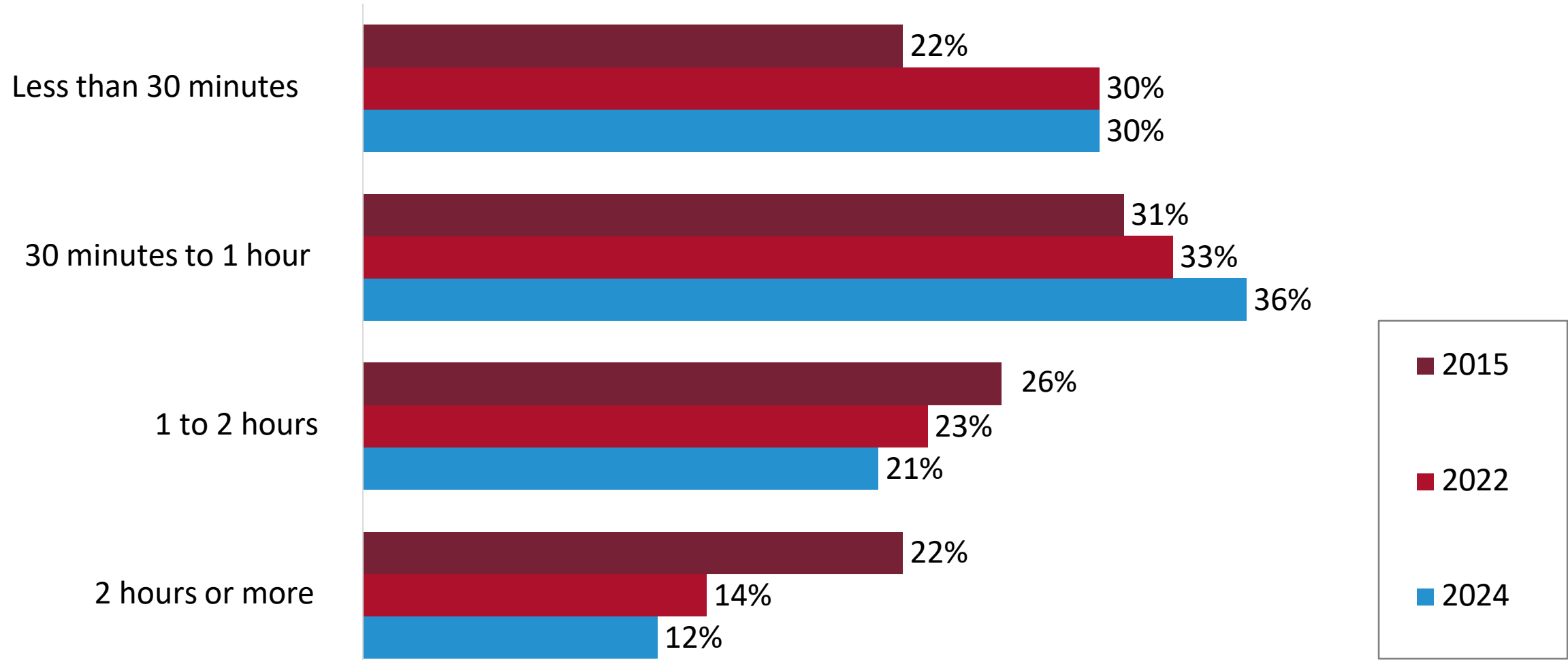
Understanding of benefits



Based on employees who are offered the given benefit.

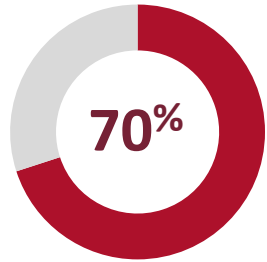
Source: 2024 BEAT Study, LIMRA.

Time spent making benefit decisions

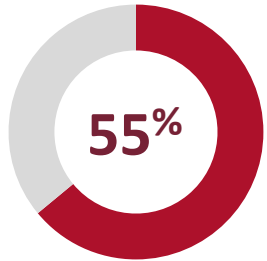


Based on employees who are enrolled in insurance benefits and have had an open enrollment within the past two years. Excludes respondents who are not sure how much time they spent.
Source: 2024 BEAT Study, LIMRA.

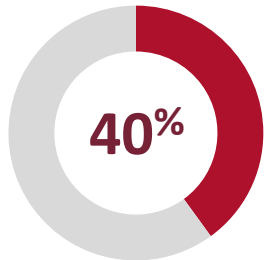
Why effective communications matter



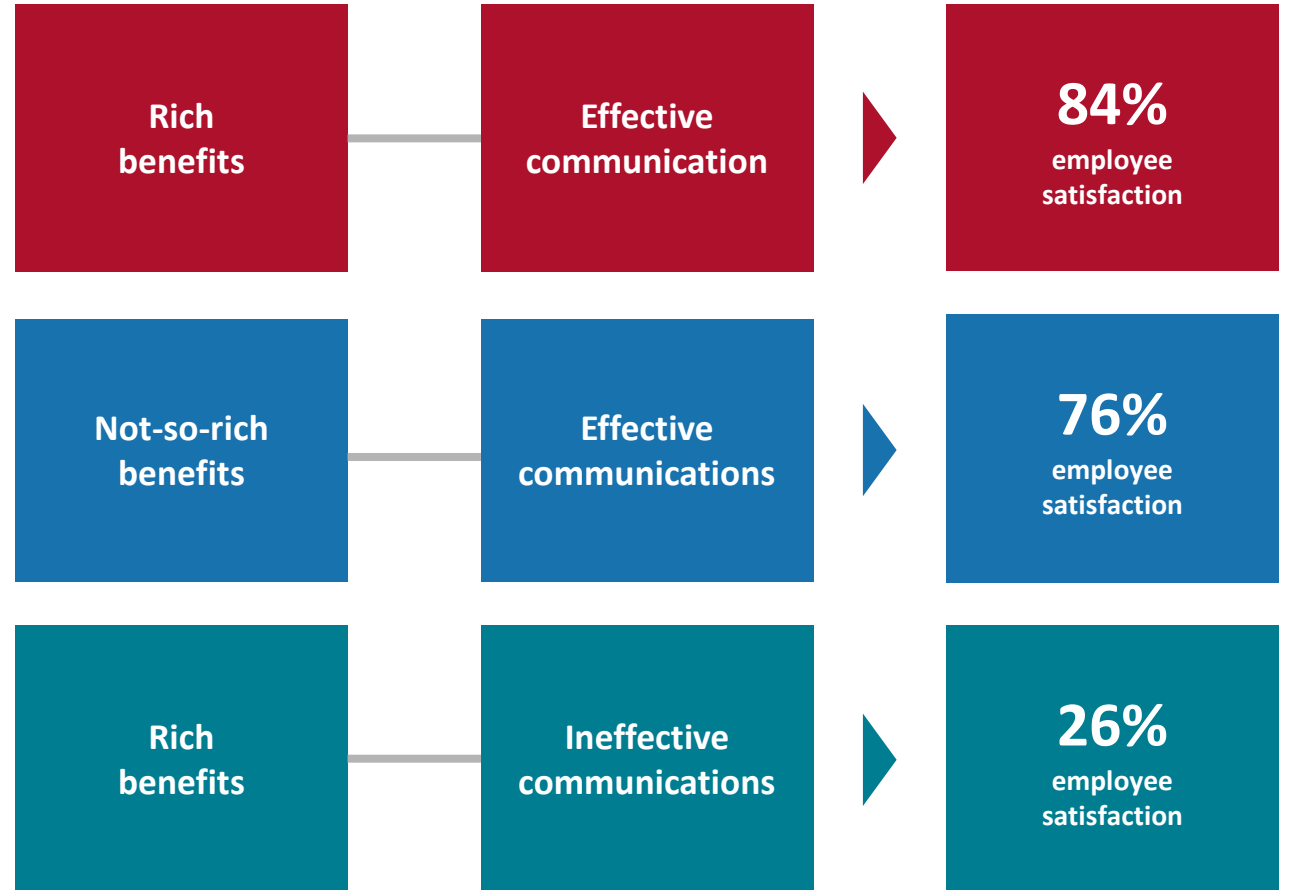
of employees feel valued or appreciated because **employer's benefits communications are easy to understand**



of employees wish they were **more informed about their benefits** to maximize their value



of Americans spend **more than three hours a week** dealing with personal finance issues



Source: "Effective Employee Communications Drive Financials Results," Watson, Wyatt Research.

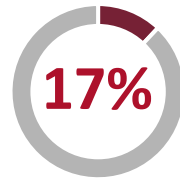
Lincoln Workplace Solutions

We are proud to serve over 50,000 employers of all sizes including more than 400 common customers.

Group Protection

2,800
healthcare
customers

1.6M
healthcare
services
covered lives



of in-force
premium is
in healthcare
services

8 years of avg.
tenure for
healthcare
clients

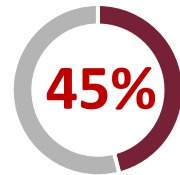
Source: Lincoln Financial Group December 2023 in-force data



Retirement Plan Services

4,650+
healthcare
plans

778K+
healthcare
participants



of assets
under
management
in healthcare

20 years of avg.
tenure for
healthcare
clients

Source: Market average from the Integrated Benefits Institute compared to Lincoln Financial book average YE 2020.

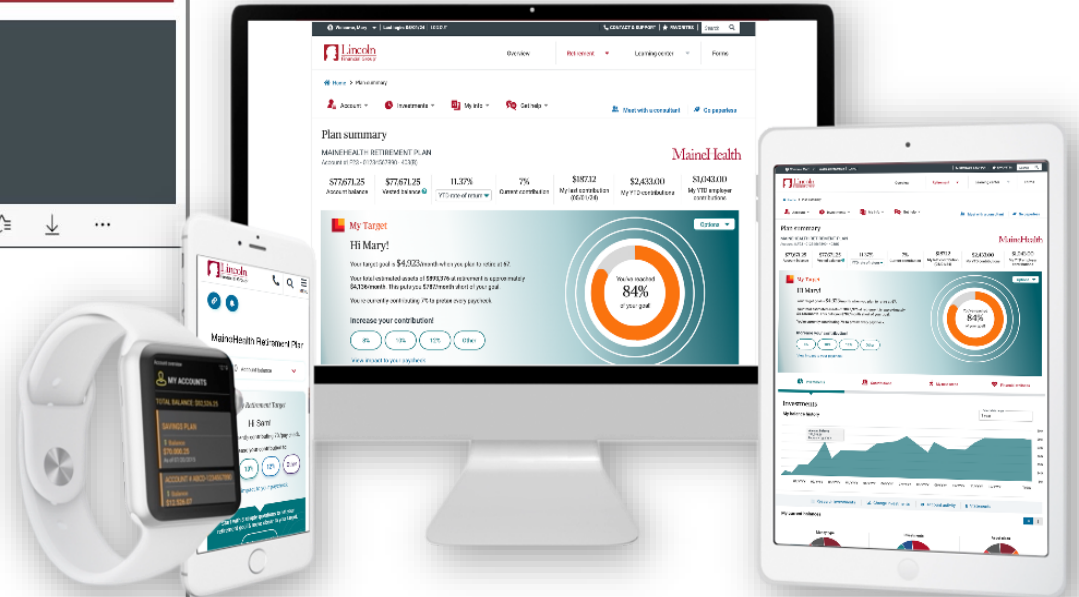
Workplace Solutions common customers benefit from greater retirement readiness due to:

- On-site workplace benefit consultant
- Enrollment support for new hire orientation and open enrollment
- Integrated benefit communications
- Combined web portal experience
- Single customer service phone line
- Financial wellness platform

Source: Lincoln Financial Group 4Q2023 book of business.

Holistic benefits education when and where needed

The image shows a Zoom meeting interface at the top with participants Rhett Tiermont and Sarah Target. Below it is a screenshot of the Lincoln Financial Group website. The website header includes navigation tabs: Overview, Retirement, Employee benefits, Learning center, and Forms. The main content area displays 'Retirement - Total balance: \$190,921.30' for the 'LNC EMPLOYEES' 401(K) SAVINGS PLAN. Below this, there are sections for 'Employee benefits' with links for Disability Insurance, Life Insurance and AD&D, Evidence of Insurability, and Absence Management.



For illustrative purposes only. Actual screens subject to change.

The Lincoln Workplace Solutions impact



31,000 one-on-one
employee meetings



Group benefit-specific
conversations **more than**
doubled in years two and
three of this initiative.

Healthcare client profile

- **Employees:** 20,000
- **Type of plans:** 401(a), 401(k), 403(b), and 457(b)TH
- **Group benefits offered:** accident, critical illness, hospital indemnity, short-term disability, FMLA, long-term disability, and life

Education and personal support leads to better benefit decisions

65%



of interactions
supported a group
benefits adoption
decision

82%



increase in voluntary
life participation

13%



increase in critical
illness participation

“We believe the evolution of our partnership with Lincoln has enhanced our team member experience. This integrated approach allows additional opportunities for education on our life and disability coverage that the team member likely wouldn't have known otherwise and has been evidenced by more of our team members updating their beneficiaries.”

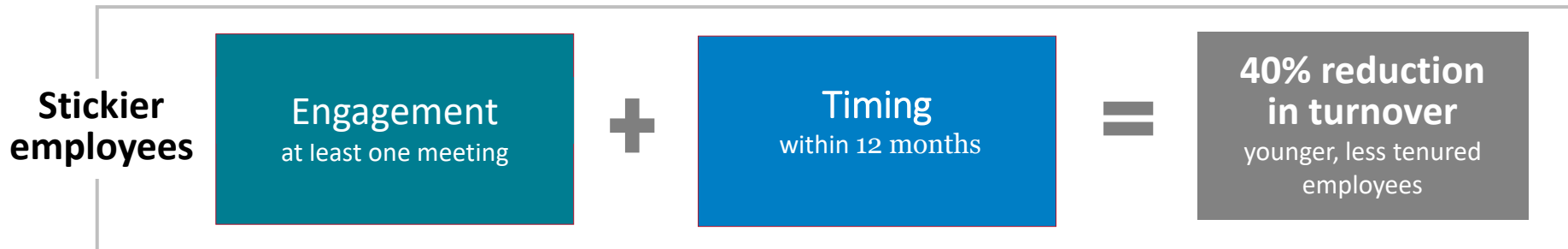
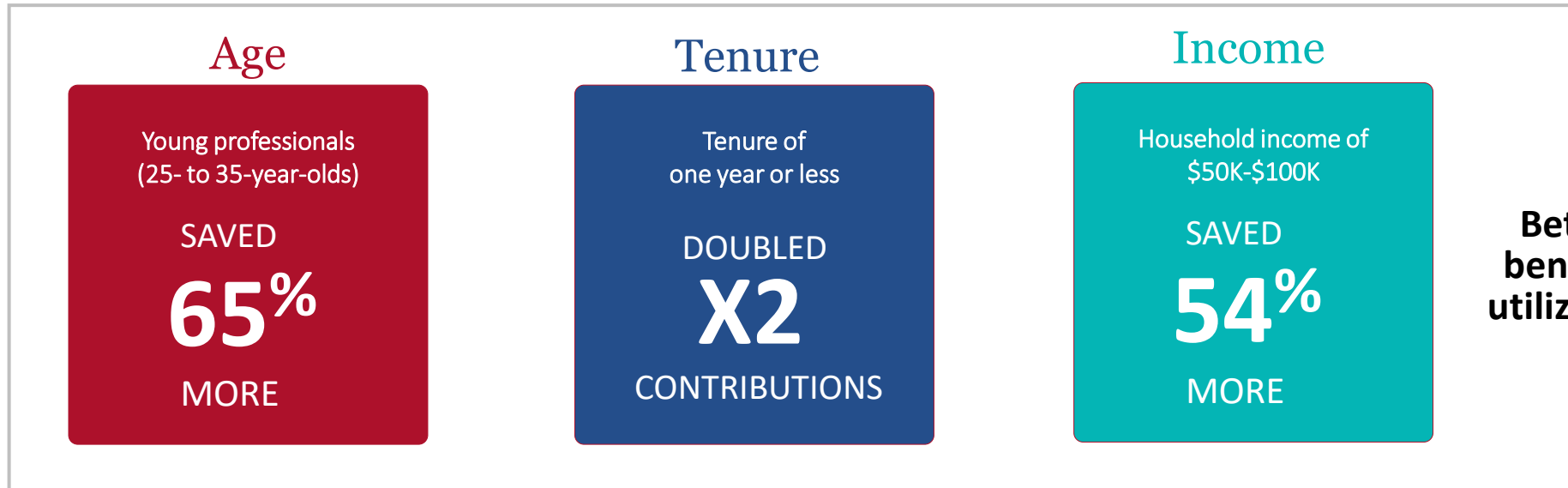
– Team member talking about the retirement consultant

Source: Lincoln Financial Survey, as of December 31, 2023.

Personalized engagement leads to retention

Engaging high-turnover-risk employees

- 18 employers
- 100,000 employees
- Five years of data collected



Actions you can take

Consider a reenrollment campaign to boost participation



Almost two-thirds (62%) of non-participants would likely stay in the plan if their employer auto-enrolled everyone not currently contributing.



Almost three-fourths (74%) of non-participants wouldn't mind if their employer auto-enrolled everyone not currently in the plan.

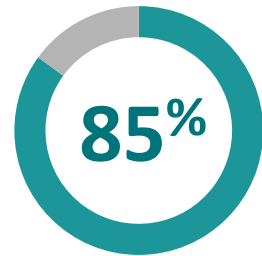


Four in 10 approve of an auto-enroll rate of 3%, but 37% think the default should be higher than 3%.

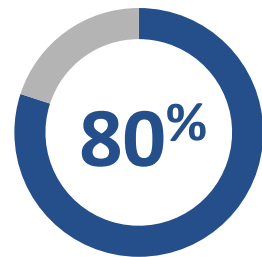
Source: 2023 Wellness@Work: Retirement Plan Services Study.

Reengage employees with their overall benefits

- Easy-to-understand, relevant education
- Personal support
- Financial wellness resources
- Consider solutions that help tackle competing priorities



85% of healthcare workers who have student loans are interested in a student loan management service offered through their employer or plan provider



80% of healthcare workers are interested in an emergency savings account offered through their employer/plan provider



Nearly 9 in 10 workers are interested in supplemental health benefits (critical illness insurance, hospital indemnity insurance, or accident insurance).



Source: 2023 Wellness@Work: Retirement Plan Services Study.

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Partner with us to close gaps and help improve retirement savings outcomes for your workforce

Creating a platform for action to help close gaps within the retirement savings system



Defined Contribution
Institutional Investment
Association



Helping improve
retirement
savings outcomes
for all workers

Understanding
how workers
of all kinds are
using defined
contribution plans

Identifying areas
of opportunity
and a fresh
perspective

Providing leaders
with tools and
resources to take
specific action to
solve challenges
for employees

Roundtable discussion

Connect with us!

Scan the QR code to view Lincoln resources from this event.



Let's discuss how we can help your organization!



Rachel Duncan
Vice President
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Retirement Plan Services

Visit LincolnFinancial.com/WellnessAtWork to explore Wellness@Work and discover helpful resources.

Disclosures

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Wellness@Work is a platform for research and viewpoints on central issues related to group benefits and retirement planning. The program seeks to identify forward-thinking ways to help financial professionals, employers, and employees. As part of the program, Lincoln sponsors both proprietary and third party research, with an emphasis on what drives better benefit and retirement outcomes. The 2023 Wellness@Work: Retirement Plan Services Study is based on a national

survey of 2,604 full-time workers who are eligible to contribute to an employer-sponsored retirement plan, including 2,104 participants and 500 non-participants. Greenwald Research, a third party market research firm, conducted the study on behalf of Lincoln Retirement Plan Services. Greenwald Research is not associated with Lincoln Financial Group. Online interviewing took place from February 16 to March 14, 2023. Data is weighted by demographics to mirror the total population.

Lincoln Financial's 2022 Wellness@Work study is based on a national survey of 2,503 full-time workers who have access to insurance benefits (at least one of the following: disability, life, dental, vision, critical illness, accident or hospital indemnity) through their employer. Greenwald Research, a third-party market research firm, conducted the study on behalf of Lincoln Financial Group. Greenwald Research is not associated with Lincoln Financial Group. Online interviewing took place from January 28, 2022 to March 1, 2022. Data is weighted by demographics to mirror the total population.

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Not insured by any federal government agency
Not guaranteed by any bank or savings association

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